NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

such part of the leased premises

PAID UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this 17th day of March	, 2010, by and between
Minnie Clark, herein dealing in her sole and =	separate property
whose addresss is 2908 Miller Avenue, Fort Worth, Texa:	
and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas 75201, as Lessee. All p	printed portions of this lease were prepared by the party
hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grant	
described land, hereinafter called leased premises:	•
1/6	7
OUT OF THE SAN ROC A	, BLOCK <u>~</u> DDITION, AN ADDITION TO THE CITY OF
	IG TO THAT CERTAIN PLAT RECORDED
	S OF TARRANT COUNTY, TEXAS.
	interests therein which Lessor may hereafter acquire by
reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and substances produced in association therewith (including geophysical/seismic operations). The term "gas" as us	gas, along with all hydrocarbon and non hydrocarbon sed herein includes helium, carbon dioxide and other
commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease al	lso covers accretions and any small strips or parcels of
land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, a Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accur	rate description of the land so covered. For the purpose
of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deem	ned correct, whether actually more or less.
2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of	$(\underline{5})$ years from the date hereof, and for
as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased otherwise maintained in effect pursuant to the provisions hereof.	premises or from lands pooled therewith or this lease is
3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Less	or as follows: (a) For oil and other liquid hydrocarbons
separated at Lessee's separator facilities, the royalty shall be tracky-five percent (25%) of Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall he	such production, to be delivered at Lessee's option to have the continuing right to purchase such production at
the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same	field, then in the nearest field in which there is such a
prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all of	
severance, of other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing su	uch gas or other substances, provided that Lessee shall
have the continuing right to purchase such production at the prevailing wellhead market price paid for production of sir then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comp	
nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered	
hydraulic fracture stimulation, but such well or wells are either shut-in or production there from is not being sold by Les	see, such well or wells shall nevertheless be deemed to
be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covered by this lease, such page 1.	
depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary	of the end of said 90-day period while the well or wells
are shut-in or production there from is not being sold by Lessee; provided that if this lease is otherwise being main Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due ur	
of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amo	ount due, but shall not operate to terminate this lease.
4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in <u>at I</u> be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments	
draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by ano	
payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another	er institution as depository agent to receive payments.
Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in payin premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases fit	g quantities (hereinafter called "dry hole") on the leased
pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lea	ase is not otherwise being maintained in force it shall
nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations on such dry hole or within 90 days after completion of operations of the properties of the prope	
the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Les	ssee is then engaged in drilling, reworking or any other
operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as a no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or of	
there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a we Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent oper	
to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased pr	remises or lands pooled therewith, or (b) to protect the
leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. The additional wells except as expressly provided herein.	ere shall be no covenant to drill exploratory wells or any
6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest the	
depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority of the commencement of the comme	
unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maxi	mum acreage tolerance of 10%, and for a gas well or a
horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger un completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmenta	
of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the applicable, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" r	
feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using s	tandard lease separator facilities or equivalent testing
equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross of	
component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration desc	ribing the unit and stating the effective date of pooling.
Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premise reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall	
net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to	the extent such proportion of unit production is sold by
Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in	
prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage d making such a revision. Lessee shall file of record a written declaration describing the revised unit and stating the eff	letermination made by such governmental authority. In

leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalities are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in

Page 2 of 3

- '8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or u
- the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- If Lessee releases all or an undivided interest retained hereunder,

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or lands pooled therewith, the anciliarly rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in winding, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well cashi

- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.
- Other beherit. Such subsurface well pore easements shall run with the land and survive any termination or this lease.

 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

 15. Notwithstanding contained to the contrary in this lesse. Lessee shall not have any rights to use the surface of the leased premises for drilling or other.
- Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other
- operations.

 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

 DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor would get the highest price or described the product of this lease without dures or assurances were made in the negotiation of this lease that Lessor would get the highest price or conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owner

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor

LESSOR (WHETHER ONE OR MORE) 1) inne (Clark

By: Minnie Clark By: STATE OF Texas

COUNTY OF Tarrant

This instrument was acknowledged before me on the 17th day of March

by: Minnie Clark & Single present here in dealing in her sole and separate property

Milli N ACKNOWLEDGMENT MATTHEW DAVID HEMBREE Notary Public, State of Texas Notary Public, State of 1 My Commission Expires Notary's name (printed) February 08, 2014 Notary's commission expires: STATE OF COUNTY OF This instrument was acknowledged before me on the _ 2010 day of

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

DALE RESOURCES ATTN; ANN VANDENBERG 2100 ROSS AVE STE 1870 LB-9 **DALLAS, TX 75201**

Submitter: DALE RESOURCES LLC

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.

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Filed For Registration:

3/30/2010 1:01 PM

Instrument #:

D210071695

LSE

PGS

\$20.00

Denlesse

D210071695

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: DNCLARK